

# MAYOR & COUNCIL AGENDA COVER SHEET

**MEETING DATE:**

June 17, 2002

**RESPONSIBLE STAFF:**

**Frederick J. Felton**  
**Assistant City Manager**

**AGENDA ITEM:**

(please check one)

|   |                              |
|---|------------------------------|
|   | Presentation                 |
|   | Proclamation/Certificate     |
|   | Appointment                  |
| X | Public Hearing               |
|   | Historic District            |
|   | Consent Item                 |
|   | Ordinance                    |
|   | Resolution                   |
|   | Policy Discussion            |
|   | Work Session Discussion Item |
|   | Other:                       |

**PUBLIC HEARING HISTORY:**

(Please complete this section if agenda item is a public hearing)

|                   |         |
|-------------------|---------|
| Introduced        | 6/17/02 |
|                   |         |
|                   |         |
|                   |         |
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|                   |         |
| Hearing Date      |         |
| Record Held Open  |         |
| Policy Discussion |         |

**TITLE:**

An Introduction of an Ordinance to Amend Chapter 17 of the City Code Entitled "Personnel", Article I Entitled "In General", Section 17-4 so as to allow the Mayor and Members of the City Council to Join or Become Members of any Group Medical and Dental Plan Offered to Classified Employees of the City Provided the Subscriber Pays Full Costs of Coverage

**SUPPORTING BACKGROUND:**

A number of cities including Rockville, Bowie, and College Park offer healthcare benefits to their elected officials in one form or another.

While Section 63 of the City Charter states that the Mayor and City Council may participate in the City's healthcare program, the City's Personnel Ordinance is silent on this issue.

The proposed amendment would allow the Mayor and City Council to participate in the City's group medical plan; however, they would be required to pay 100% of the cost.

For your review I have attached a memorandum from the City Manager on this issue.

**DESIRED OUTCOME:**

**Vote to introduce ordinance, and notify the public that the public hearing is scheduled for July 1, 2002.**

MEMORANDUM TO: Mayor & City Council

FROM: City Manager David B. Humpton *DB*

DATE: May 2, 2002

SUBJECT: Mayor & City Council Participation in Health & Dental Insurance Coverage

A member of the City Council has recently expressed an interest in participating in the City's Health Care plan. Section 63 of the City Charter states that the Mayor and City Council may participate in a hospitalization program established for City officers and employees (see attached). The City Attorney has reviewed this matter and has indicated that if you concur, a resolution should be approved by the Mayor and City Council authorizing participation in the plan and setting forth details related thereto.

Listed below are examples of benefits offered to elected officials in Gaithersburg and in other area jurisdictions:

|              |   |
|--------------|---|
| Gaithersburg | Health/dental currently not offered to M&C; M&C are eligible for life insurance, 457 Deferred Compensation (no employer match), and long-term care insurance.   |
| Rockville    | Health/dental offered to M&C; Rockville pays the same cost for their M&C as it does for full-time employees, i.e. 80% of the lowest HMO Plan for single coverage, two person or family coverage. When out of office, covered under COBRA for 18 months.                         |
| Bowie        | Health/dental offered to M&C; elected officials must pay full cost.<br>When out of office, covered under COBRA for 18 months.   |
| College Park | Health/dental offered to M&C; elected officials must pay full cost.<br>When out of office, covered under COBRA for 18 months.   |
| Frederick    | Mayor is full-time and eligible for all benefits.<br>Aldermen are part-time; not eligible for health/dental coverage but are eligible for 457 Deferred Compensation (no employer match), flexible spending, supplemental life insurance, and supplemental long-term disability. |
| Takoma Park  | Health/dental not offered to M&C at present. Currently researching what other municipalities are offering.  |

Please advise staff if you would like to pursue this matter further.

**DRAFT**

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE TO AMEND CHAPTER 17 OF THE CITY CODE ENTITLED "PERSONNEL", ARTICLE I ENTITLED "IN GENERAL", SECTION 17-4 SO AS TO ALLOW THE MAYOR AND MEMBERS OF THE CITY COUNCIL TO JOIN OR BECOME MEMBERS OF ANY GROUP MEDICAL AND DENTAL PLAN OFFERED TO CLASSIFIED EMPLOYEES OF THE CITY PROVIDED THE SUBSCRIBER PAYS FULL COSTS OF COVERAGE.

BE IT ORDAINED, by the Mayor and City Council of the City of Gaithersburg, in public meeting assembled that Chapter 17, of the City Code, Article I, Section 17-4, Subsection (a) and (b) thereof are hereby amended to read as follows:

**Sec. 17-4. Medical, hospitalization, dental and other insurance benefits.**

(a) The City may pay or contribute to the cost of group hospitalization and medical plans for all classified employees. Coverage may be secured for dependents of eligible employees on a family plan basis, in which case, the City will pay a portion thereof as determined by resolution of the City Council; and payments shall be deducted from the employees's compensation for the remaining amount. The Mayor and members of the City Council may elect to join or become members of any group medical plan offered to classified employee's of the City on an individual or family plan basis provided that the subscriber pays the full cost of coverage without contribution or reimbursement from the City.

(b) The City may pay the cost of a group dental health plan for all individual classified employees. Coverage may be secured for the dependents of eligible employees by deducting the difference between the single rate and the family plan rate or the combined single and sponsored individual rate from the employees' compensation. The Mayor and members of the City Council may elect to join or become members of any group dental health plan offered to classified employees or on individual or family plan basis provided that the subscriber pays the full cost of coverage without contribution or reimbursement from the City.

ADOPTED the \_\_\_\_\_ day of \_\_\_\_\_, 2002 by the City Council  
of Gaithersburg, Maryland.

\_\_\_\_\_  
SIDNEY KATZ, MAYOR and  
President of the Council

DELIVERED to the Mayor of the City of Gaithersburg, Maryland, this \_\_\_\_\_ day  
of \_\_\_\_\_, 2002. APPROVED by the Mayor of the City of  
Gaithersburg, this \_\_\_\_\_ day of \_\_\_\_\_, 2002.

\_\_\_\_\_  
Sidney Katz, Mayor

THIS IS TO CERTIFY that the foregoing ordinance as  
adopted by the City Council of Gaithersburg, in public  
meeting assembled, on the \_\_\_\_\_ day of \_\_\_\_\_,  
2002 and that the same was approved by the Mayor of  
the City of Gaithersburg on the \_\_\_\_\_ day of \_\_\_\_\_,  
2002. This Ordinance will become effective on the  
\_\_\_\_\_ day of \_\_\_\_\_, 2002.

\_\_\_\_\_  
David B. Humpton, City Manager